G. R. S. 58]

Previous references.

G. F. 63-15 SS 1&2, B. Nov 15
Banking 6-14 SS 7-8 April 15 — 1915-16
—do— 6-14 SS 586 —
—do— 390 of 13 SS 1-6, B. (G. F.)
~~Later references.~~ " Dec 1914
+do- 6-14 SS 384, Dec 1914
—do- 16-14 SS 384, Dec 14.
—do- 38-13 SS 1&2, B. Nov 14.
—do- 6-14 SS 1&2, B. Aug 1914.
" Later Refee
G. F. 32-16 SS 6&15, B. Sept 16.

File No. 61-15

Serial Nos. 1 to 4

p. 48 ~~[illegible]~~

GENERAL AND REVENUE SECRETARIAT.

G. F. 215-17 SS 1&2, B. June 18.
" 29-18 " 25, 29, 31&2, B Aug 1919
~~[illegible]~~ 1914-15.

Serial Nos. 1 to 4

Part B for April 1916-

SUBJECT.

Raising the limit of the Establishment charges of the Office of the State Life Insurance Committee from 3 to 4 p.c. of the months average premia income—

Sl. 1. Proposal

Forwards for orders Resolution of the committee passed in the meeting held on 3rd August 1915 in the matter of increasing Establishment charges from the present 3 p.c. limit of the months average premia income to 4 p.c.

W D 1351—GPB—20,000—13-12-15

Sl. 4. H. order :-

Raises the limit of expenditure which could be sanctioned by the Insurance committee from 3 to 4 p.c. of the average monthly premia income & sanctions the entertainment of an establishment at a cost of Rs 72 p.m.

rit. 2/14.

G. R. S. 11] 1915-16

GENERAL AND REVENUE SECRETARIAT.

(Gl Finance

NOTES.

File No. 61

FILE HEADING.

Raising the limit of the Establ charges of the office of the State Life Insurance Committee from 3 to 4 p.c of the monthly average premia income

From

The Secy Insurance committee

No. 753 Dated 26/28. 8. 15 Received 30. 8. 15

Diary No. 731	Enclos. 1 file Spare Copies.	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Forwards for orders Resolution of the committee passed in the meeting held on 3rd August 1915 in the matter of increasing establ charges from the present 3 p.c limit of the monthly average premia income to 4 p.c.

NOTES AND ORDERS.

The 3 p.c limit of average premia income for incurring charges connected with the administration of the Insurance scheme was imposed

NOTES—First Sheet.

GPB—20,000-8-8-14

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N

by Govt on the committee after mature consideration in G.O No 6061-2/R-110-93 dt 8.8.1898. It was considered a wholesome rule to act upon proposals involving departure from it were not looked upon with favour by Govt. Proposals for add expenditure were subject to the bound imposed by the 3 p.c limit. It served to keep out numbers claims for payment & it was mainly owing to it that the claim of the medical officers to be paid for examining candidates for mines was only partially allowed. In short it appeared as a workable data for these 17 years. It contained in itself the element of elasticity for as the premia income expanded it automatically provided for the needs of additional expenditure on establishments.

2 The need for the proposed raising of the percentage from 3 to 4 is stated as follows

1) The revision of the office

NOTE—Contn. sheet.

GPB—20,000—30-6-15

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	Serial No.	
		estabt sanctioned in the G.O.
M		dd 1-12-1914
		~~M~~ when proposals were made for the recent increase a statement was read from the Dewan office ~~also~~ in the usual form & in the remarks column thereof is stated as the income is progressive (it has been during the past six months Rs 26500/ on an average) it would work out to not more than 2½ p.c! & it has to be remembered that the proposals ~~were~~ when sanctioned worked out down to an average cost of Rs 7-7-3-4 3/60 from the proposed cost of Rs 9-7-8-0 thus considerably bringing it down from the ~~2½~~ contemplated 2½ p.c increase
		2) Payment of medical officers sanctioned in the G.O of the 18th June 1914
X		3 Para 3 of the above order directs the payment of a fee of Rs 3 to medical officers for each detailed medical Examn.

NOTE—Contn. sheet.

GPB—20,000—30-6-15

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of proposals for further optional insurance

4 further insurance involving detailed medical Examn are not very many in number as may appear at first sight & optional insurance when taken along with 1st insurance gives nothing to the medical officer. Besides provision has been made for the refund of medical fees from ~~the~~ such as drop out from optional insurance. Having also in view that further optional insurance means expansion of primary income the medical commn to be paid out of the fund cannot be such as to necessitate on its own score a raising of the 3 p c limit

3) Temporary establt & furniture These were always allowed whenever it was needed & always found to be well within the 3 p c limit & it cannot fail to be such

NOTE—Contn. sheet.

GPB—25,000—30-4-15

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On an examn of the Insurance office items it is made out that a small extra temporary establt is needed for the office, costing Rs 66-8-0 a month. Inclusive of this amount the monthly average expenditure amounts to 784-0-4 out of a monthly average income of Rs 824-1-8 available for expenditure - leaving a balance of Rs 57 for payment of medical fees for the examination of candidates. In the absence of information as to what exactly the medical fees amount to it is not possible to say whether the balance may not suffice for the present. I would therefore state that there is no immediate call for the change of the old rule which had stood the test of time - not at least till some definite data is available as to the amount that may be needed for payment of medical fees.

Sd/-
21/9/15

There are so many indirect charges of the Insurance Office which

NOTE—Contn. sheet.

GPB—20,000—30-6-15.

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are not taken into account in estimating the cost of the office and so many new items of Exp^r have been sd of late that it is difficult to know what the Exact financial position of the institution is. It has also of late shewn the tendencies of Govt Deptt to increased Exp^r on the receipt of a favourable report from the Actuary. It is necessary & desirable that this unwholesome tendency should be checked and only Exp^r absolutely necessary Sanctioned.

6 The Actuary does not recommend the Exp^r being raised to 5% of the premium income. On the other hand he says that there seems to be no difficulty in keeping the Exp^r well within this limit & it is necessary to have figures to shew that this limit is not sufficient before raising it to a higher figure.

7 What is the amount spent on an average every month in the shape of medical fees is not mentioned. If the Comp^y Estt for veterinary certificates is dispensed with, there will be a saving of 100 Rs p.m. Further it is doubtful

that he is not aware of any such world requiring the increase.

NOTE—Contn. sheet.

GPB—25,000—30-4-15

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if medical fees may be regarded as Establishment Charges to which alone the 3% limit applies. It is therefore not necessary for all these reasons to raise the limit to 4% as proposed.

With regard to the proposed increase in Establishment, it is to be remembered that the Establishment of the Insurance Office was revised so recently as on 1.12.'14 with a view to provide for the growing work of the office and the reasonable aspirations of its employees. It is not clear how the necessity for nine men could have been felt so soon.

The Insurance Office may be therefore asked to send a statement showing in detail the charges to be taken against the 3% premium income and a regular proportion & statement for the cost Establishment proposed.

to Draft as per last para

Draft submitted.

Secy 7/

Secy 15.10.15

12/11

Secy 12/11

NOTE—Contn. sheet.

GPB—25,000—30-4-15

G. R. S. 12]

General and Revenue Secretariat. | G 7 File No. 61 of 1915.

Serial No.	
2	To the Secy Insurance Committee No H 2176 G 17-11-1915 Requests to be favoured with a Statement shewing in detail the charges now incurred against the 3 p.c income from premiums & a regular proposition statement for the estabt now proposed.
3	From the Secy Insurance Committee No 3009 G K 3-12-1915 Submits the information called for above. 12 The estabt now proposed to be entertained is temporary for a period of 2 years only but the scale provides for a Ledger on 30-3-45 = the maximum being reached in 5 years. 13 A temporary estabt to last for 3 months was asked for in July 1914 for the issue of reversionary bonus certificates. The estabt consisted of a clerk on Rs 30 and another on Rs 20 & it was continued on right up to June 1915 nearly a year.

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat. | G 7 File No. 61 of 1915.

Serial No.	
	Apparently the present proposal contemplates an extension of the term of service to the same officials on progressive pay. It may be mentioned that the Insurance office Establt was revised only so very recently as 1st Decr 1914 to provide for the efficient discharge of growing work & within a year a fresh proposal is submd for the increase of establt "14 Consequent on the favourable report of the Actuary on the recent valuation of the funds a growing tendency to increase the cost of management is manifest - as may be evidenced by the single case of purchase of books for the insurance office. A proposal for the purchase of reference books was sanctioned in
Vide Accts Emp note on page 6 supra.	H 2919-20/B31-13-2 § 7-1-1914 at a total cost of Rs 275 and the Actuary's report is § 29.8.13 Again a proposal is made.

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat. | 97 File No. 61 of 1915.

Serial No.

on the premia income

17 So the Actuary found a ½ p.c within the 3 p.c limit of premia unexpended for the quinquennium ended 30th June 1912 & in his opinion any increase of expenditure was not needed in the interest of the better administration of the fund

18 The only new factor that has come into operation after the Actuary's report is the payment of medical fees & towards this item of increased charges there is the ½ p.c extra out of the 3 p.c limit found by the Actuary as remaining unutilized & which should amount to Rs 150 a month as per the monthly average of Rs 2961.0 given in the Statement filed by the Insurance office

19 Again the rule of 3 p.c limit has within itself elements of expansion to meet additional

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

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expenditure on establ consequent on increase of business as accepted by the Insurance office themselves & further the 3 p c limit rule is not of the nature of the laws of Persians & Medes but transcended whenever needed in the interest of the fund at the discretion of Govt as when meeting the charges incidental to Actuarial Valuation. It only means that the committee has to bear in mind this limit imposed, when considering proposals for expenditure & see that it is generally not exceeded & when it does exceed to send such proposals for consideration & sanction of Govt instead of sanctioning it themselves.

2- It has to be borne in mind that it is tacitly taken for granted by the policy holders that Govt when it compelled the officials to insure, have also guaranteed its cheap administration in their interest

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat. | G 7 File No. 61 of 1915.

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said the expenses may be taken up to 5 p.c if necessary.

This is more for guidance of Govt than with a view to increase expenditure on administration.

23 It will therefore be seen that as a matter of fact expenditure is being incurred which at times may run over the 3 p.c limit & that Govt are fully aware of it & that no practical difficulty is being met with, in not investing the committee with powers of sanctioning over the 3 p.c limit.

24 It may therefore suffice if the committee are made aware of this view of the matter & such estimates as may meet present requirements be sanctioned Subd

Subd 25 Item 3 of the charges mentioned in 2. 2. 1 the statement contains ~~compa~~ some special items of heavy expenditure such as books &c which are not likely to recur every year. Nor is it likely that the charges on account of fees to Medical Officers would ever

NOTE—Contn. sheet.

GPB—70,000—17-12-15

G. R. S. 12]

General and Revenue Secretariat.

G 7 File No. 61 of 1915.

Serial No.

Why the 3 % limit should be raised.

2. By delegating the proposed power the Insurance Committee would be encouraged to sanction Expr in an extravagant manner.

3. The Statement that It is doubtful if the amount paid for medical Expr may be treated as Establishment Charges and taken against the 3 % income.

4. Even if the Centage limit should be regarded as having been exceeded, with the increase in the premium income the amount available for Expr will also automatically increase. There is no reason why provision should be made for this by raising the Percentage limit.

5. There is nothing to prevent, for sanctioning necessary Expr when the 3 % limit is exceeded as this limit is only with which Sanction by the Insurance Committee on its own authority. There is therefore no real need to raise the limit shewn in paragraph 6 of the Entblazes

6. Govt are bound to run the Insurance Office on an Economical manner and the proposal does not tend to Economy.

Reading the 2nd proposal it may be said that the revision of the Insurance Office was effected only recently — to provide for growth of work as well — and that the present proposal does

(6) The actuary was ignorant of our establishment requirements. The point was not referred to him as it is not usual to refer such points to the actuary. He thinks that 5 % limit may be safely allowed & that is all we want from the actuary. +

(2) This is not likely when a Committee like the Insurance Committee is concerned.

(3) We want 4 % for management expenses. It is desirable to fix a limit for all expenses of management rather than allow a percentage for establt and admit other items apart from such percentage limit.

(4) Yes but the increase is mostly in ten-rupee schoolmasters & such low paid men. So the income does not increase proportionately to the work which is the same practically in the case of a ten-rupee School master & an Asstt Comr on Rs 200.

(5) It is a matter of convenience. Why fix the 3 % limit at all? Let Govt sanction everything. But facility of work has to be considered

(6) 4 % for management is I believe the lowest in the world. 10 % to 40 % is the limit in successful private companies.

NOTE—Contn. sheet.

GPB—70,000—17-12-15

1689

G. R. S. 12]

General and Revenue Secretariat. | G7 File No. 61 of 1915.

Serial No.

'Work in an office in which every increase of permanent establishment is reflected grows fast now a days. Insurance has also been extended to large groups of temporary servants of Govt. formerly ineligible.

JR 19/2

Aim at the continuance of the two clerks Employed for preparing Reversionary Bonus certificates whose period expired in July 1915. It will happen to be enough if one clerk on Rs 200 and one peon on Rs 50 be sanctioned for two years.

It is therefore Suggested that the Insurance Office may be informed that Govt are not satisfied that there is any real reason to raise the 3% limit to 6% & that they are of opinion that a clerk on Rs 200 & a peon on Rs 7 may be sanctioned temporarily for two years in lieu of the extra Establishment proposed by them.

Please

HE 4/2/16

1197

2. For the reasons stated in the Jt Secy's note placed below & my marginal notes above, the Insurance Commr's proposals may be sanctioned in full. They were framed after very careful consideration. I think all the arguments of R/s Fri. have been fairly met.

Read for Dewan 21/2/16

JR 19/2

21/2/16 Dewan)

4481 24.2.16

3. This file may be placed before the Dewan.

I do not think that the

NOTE—Contn. sheet.

GPB—70,000—17-12-15

1689 18

G. R. S. 12]

General and Revenue Secretariat. | G.F. File No. 61 of 1915-16

Serial No.

Insurance Committee has ever shown a tendency to sanction any extravagant expenditure. The tendency has in fact been on the other side.

26/2/16

32 I agree that the Committee's proposals may be sanctioned.

Please circulate and return with a draft note of submission.

5.3.16

2nd member)

33 I agree

10/3

Extraordinary Member)

34 I also agree.

23.3.16.

35 A draft submission note and a draft for order are put up.

FL Sec'y) 28/3.

Dewan) 29/3

1505

5-169
30.3.16

NOTE—Contn. sheet.

GPB—70,000—17-12-15

Submitted to His Highness.

36 With a view to avoid the necessity for frequent references to Government the Insurance Committee was empowered in Government Order No.1061-62/R.F.1093 dated 8th August 1898 to sanction establishment charges up to a limit of 3 per cent of the average monthly premia income.

N in linked file

Papers under disposal

37 2. It is now represented by that Committee that consequent on the expansion of work in the Insurance Office in several directions and the payment of fees to medical men the normal expenditure of the Insurance Office has exceeded the 3 per cent limit and that it is therefore necessary to raise the limit of expenditure which could be sanctioned by the Committee to 4 per cent of the premium income.

u

38 3. In the last Actuarial report of the Fund the Actuary has remarked that even if the present rate of expenditure were increased to 5 per cent of the premium income there would still remain a balance of over 10 per cent of it not required to meet liabilities.

p 18 of file notes

39 4. The Members of Council and myself agree to the proposals which may be graciously sanctioned.

M. Visvesvaraya
8th Apr 1916.

8/12

P.J.

INSURANCE.

Government Order No: 1061-62/R.F.1093 of 8th August 1898, empowered the Committee to sanction "Establishment Expenses up to a limit of 3 per cent of the monthly average income so as to avoid frequent reference to Government" and this Order was being strictly observed, the Committee sanctioning only Establishment Expenses within that limit and reporting the same for information of Government and going up to Government for sanction for every other item of expense however large or small.

2. The present proposal of the Committee as may be seen from their Resolution dated 3rd August 1915, is to empower them to sanction expense on Management of the Insurance business up to a limit of 4 per cent of the average monthly Premium Income so as to comprise all items of expenditure Viz., Office Establishment, Contingency-Ordinary and Extraordinary, Medical fee and other incidental miscellaneous charges.

3. To clear the ground in order to fully explain the objections of the Finance Department in the matter of delegating power to the Insurance Committee to sanction Expenditure up to a limit of 4 per cent of the monthly average premium Income, the present position of the Committee under the 3 per cent Order of 1898 and what it would be under the proposed 4 per cent limit may be pointed out briefly:-

(a) Amount available for expenditure, being 3 per cent of the average monthly premium income for 12 months from December 1914 to end of November 1915. ... ... Rs 888.30

(This average is not likely to increase perceptibly for some years to come as has been already pointed out)

Sanctioned average monthly cost of Office Establishment now in force. 781.35

Sanctioned average monthly cost on account of Contingency and Auditors fee. 33.33. 815.08

Balanace 73.22.

owing to a favourable Actuarial Report. It may be submitted at once that a close examination of the affairs of the Insurance Office will prove that such a tendency does not exist in fact. ~~In order to ensure the successful working of the Scheme, and~~ An inadequate establishment with inadequate remuneration was maintained all along and after three quinquennial Actuarial Valuations had established the stability of the Scheme reasonable increases in emoluments were sanctioned in December 1914. Again the natural growth of business and introduction of improved methods of working in recent years have also contributed to increase in expenditure.

(2) The second objection would appear to be that the Actuary does not recommend a five per cent expenditure and thinks that there is no reason why the 3 per cent limit -- should be exceeded. The Actuary's own words are "I am not aware whether any steps involving an increase in the expenses of management are in contemplation, and it does not appear from the Annual Reports that any difficulty is experienced in keeping the actual expenditure well within the limit imposed" and he proceeds to base his Valuation after allowing a five per cent premium income for expenditure. All the difficulties experienced in running the -- Scheme within a 3 per cent limit such as inadequate establishment and emoluments, non-payment of Medical Officers and other items were not explained to the Actuary nor was there any necessity to allude to them in the Annual Reports for him to gather.

(3) A further objection would appear to be that by delegating to the Committee 4 per cent power of sanction, they would be encouraged to sanction expenditure in an extravagant

extravagant manner. I would simply state that it has all along been a principle with the Insurance Committee to run the business with the utmost economy possible and it is well nigh inconceivable that such an August and responsible body as the Insurance Committee would ever forget its duty towards the insured persons.

(4) In regard to the temporary establishment asked for at a cost of Rs 77.25 the objection would appear to be that as a revision of the Establishment was sanctioned so recently in December 1914, there should be no necessity for additional Establishment now. But I submit that the recent revision was "to satisfy the reasonable aspiration of the Members of the Office for advancement", and for efficient discharge of the growing work only one additional Clerk on Rs 50-3-65 was provided for supervising work connected with Proposals, Policies, and other miscellaneous work. It has been found necessary to employ on an average at intervals of over a year one more Clerk owing to the natural growth of work. The last addition on this account was made in 1913, and out of the growth of work during the interval from now of three years, the demand for the employment of two Clerks has necessarily arisen.

(5) There appear to be two other minor objections i.e. that charges on account of "Purchase of Books, Furniture etc is not likely to be much in future and that the amount payable on account of fee for Medical Examination is not likely to exceed the present figure given in the Insurance Office Statement i.e. Rs 1635/-. The former item may not be very much and if the idea of forming a Library of useful Books is altogether abandoned, there will be no charge on that account. It is not quite correct to say that the -- amount of Medical fee payable will not exceed Rs 1,635/-.

This figure was the actual amount paid to end of 31st December 1915, against a total of Rs 3,024/- payable for 1,008/- cases examined in detail for further insurance including Optional insurance from 18th November 1914 to 31st December 1915. This taken with the tendency on the part of the insured to largely go in for Optional insurance will show that the Medical fee payable would rise higher.

50 Even if the charge on account of Medical fee is left out, the above fore-cast ~~would~~ show that the Insurance business ~~could not~~ cannot any longer be conducted satisfactorily within the 3 per cent limit and it would be absolutely necessary to go up to a limit of 3½% exculusive of the Medical fee.

S Bhoothalingam
Joint Secretary.
19.2.16

19th February 1916

19.2.16. Secy)

DIARY No 731

1915-16
SECTION 2-7
FILE 61-15
No. 1

GPB--1000--3-6-14

M.S.L.I.
O. 20

No. 753
Enc. Encl 1.

OFFICE OF THE SECRETARY,
MYSORE STATE LIFE INSURANCE COMMITTEE,

Bangalore, dated 26th August *191* 5

28.

FROM

Dewan Bahadur
J. S. CHAKRAVARTI, ESQ., M.A., F.R.A.S., etc.,
Secretary, Mysore State Life Insurance Committee,
Bangalore.

To

Dewan Bahadur
J. S. Chakravarti, Esq., M. A., F.R.A.S., etc.,
Financial Secretary to Government of
His Highness the Maharaja of Mysore,
B a n g a l o r e.

SIR,

I have the honour to forward herewith for very early orders of Government, Resolution No. 5 passed in the Meeting of the Insurance Committee held on the 3rd August 1915, with the connected Office memorandum dated 11-6-1915 for reference and obliging return.

2. In order to avoid frequent references, the Government have been pleased to empower the Insurance Committee in their order No. 1061-2/R. F. 110-93 dated 8-8-1898, to sanction establishment charges up to a limit of 3 per cent. of the monthly average income, and this order would no longer hold good in view of the revision of the office establishment sanctioned in Government Order No. Fl.2337-8/B.39-13-2, dated 1-12-1914, the payment of medical fee ordered in No. Fl.2146-8/B.38-13-2 dated18-11-1914, and other expenditure such as employment of Temporary Establishment purchase of furniture, books etc., which has to be incurred as necessity arises.

3. In view of the above, and on the strength of the remarks of the Actuary contained in paragraph-13 of his valuation report for the quinquennium ending 30th June 1912, that the expenditure may go up to a limit of 5 per cent. of the premium income, the Committee have resolved to move the Government to increase their powers of sanction up to a limit

limit of 4 per cent. as embodied in their resolution referred to in para-1 supra.

I have the honour to be,

Sir,

Your most obedient servant,

Joint Secretary
Insurance Committee.

INSURANCE.

Proceedings of the Meeting of the Mysore State Life Insurance Committee, held on Tuesday the 3rd August 1915.

Resolution No. 5. Resolved that the Government may be moved to empower the Insurance Committee to sanction expenditure on management of the Insurance Scheme up to a limit of 4 per cent. of the premium income and to employ temporarily for two years the following additional establishment to cope with the increased work in the Insurance Office.

1 Clerk on Rs. 30-3-45	Rs. 41-4-0
1 Clerk on Rs. 20/	Rs. 20-0-0
1 peon (Duffadar) on Rs. 9/- . . .	Rs. 9-0-0
1 peon on Rs. 7/-	Rs. 7-0-0
Total.	Rs. 77-4-0

(copy)

Assistant Secretary,
Insurance Committee.

INSURANCE.

Since the beginning of the Official year 1912, the following work has been added to the Insurance Office.

1. Introduction of Optional Insurance in August 1911.

11. Admission to Insurance of,

    1. the temporary employees of the P.W.D. - November 1912
    2. aided school masters - April 1914.
    3. employees of the piece work establishment of the Government press- October 1914.

III. Increase in the nominatinn application chiefly owing to the issue of Reversionary Bonus Certificates.

To cope with this work the following additional establishment is absolutely necessary and the same may be sanctioned temporarily for 2 years that is to the end of 30th June 1917, when new set of Ledgers will have to be opened and readjustment of men made.

	1.	Ledgerer on Rs. 30-3-45 average amount Rs.	41-4-0
	1.	Clerk on Rs. 20/-	20-0-0
Peons.	11	Daffadar @ Rs. 9/-	9-0-0
	1.	Peon @ Rs. 7/-	7-0-0
			77-4-0

A Bicycle at a cost not exceeding Rs 150, allowance

Tho average monthly prémium during the 1st half of the official year 1914-15 was Rs, 28,050 and 3% thereon available for expenditure on this office establishment was Rs. 841-5-0

Against this the actual average monthly expenditure during the last 6 months from December 1914 to end of May 1915 has been - - - - - - Rs. 704-2-5.

Monthly expenditure incurred during the same period on the temporary establishment specially sanctioned for the issue of Reversionary Bonus certificates - - - - - - - - - - - - - - - - - Rs. 100-0-0 804-2-5

So far the establishment charges has been kept within the 3% limit sanctioned in Government Order No. 1062-62/R.F. 10-93 dated -8-8-1898.

INSURANCE.

The proposed additional temporary establishment at a cost of -- Rs. 77-4-0 and the fee payable to medical officers sanctioned in Government Order No. 2146-8/B.38-13-2 dated 18-1 -1904 will increase the expenditure to about 4% of the premium income as against the 5% allowed by the actuary. Government Order No. 1061-62/R.F.-10-93 dated 8-8-98 Empowering the committee to incur expenditure upto 3% of the ~~xxxxxx~~ premium income would no longer hold good. The Government have to be now approached to modify that order and empower the Committee to incur expenditure on the management of the Insurance Scheme upto a limit of 4% of the average monthly premium ~~xxxxxx~~ income.

Assistant Secretary.

The work has considerably increased and wants the addl Establ proposed. At the Jeypore & smaller offices have a larger no of premiums eg. Vizagapatam Office Collectorate &c. There are 3 Inspectors Offices and there is a large Circle work. Where Each 3 will keep the accounts and 2 on the Office are in picking up papers from punches work & the other in attendance on the Asst Secy while the remaining will be in attendance on the Jt Secy. The Inspectors will be made use of as Cashiers & Messengers when needed and one of the peons will be given a bicycle to do the Postage work Earlier, & that the remaining 4 peons can be available for work in the Office & attendance upon Officers. The present Staff & 4 peons is found all sufficient.

I moved therefore to recommend that

INSURANCE.

the working Expenses limit be raised to 4% limit as Medical Officers have now become fees. In short the Temporary Staff the present Establishment within the 3% limit. But as they go out the new boards are opened there will be some staff shuffling after which the 2 addl Clerks will for the present be Temporary but the fees permanent

Secy

11-6-15

After discussion with Jt Secy and Asst Secy I am convinced that the increase applied for is necessary. We may apply & get for raising the limit to 4% and after this is approved entertain the addtnl hands — the addl clerks being on a temporary footing.

12/6

(President)

Circulate please & bring up before a meeting -

6/6/15

DM
16.6.15

Secy.
5.7.15
12/7.

INSURANCE.

To each Ledgerer is assigned 5 Volumes of the personal ledger of premium payments of 1,500 insured persons. In this distribution the last ledgerer started in July 1912 with two volumes of ledgers of 600 insured persons. To make up for the other 3 volumes he was entrusted with the disposal of Nomination Applications and the maintenance of the books of Family Pension Branch for which no separate provision exists. He has now added to his work 3 more volumes of ledgers bringing up his volumes to 5. He is not able to cope with the disposal of the Nomination Applications and the books of the Pension Branch in addition. Nomination Applications are also coming in in larger numbers due to the issue of the Reversionary Bonus Certificates for all of which nominations are sought to be registered. Owing to the admission of the Aided School Masters and the members of the Govt: Press Piece Work Establishment, the number of new entrants for Life Insurance has considerably increased. There has also been a considerable all round increase of work and the time of each clerk is not only fully employed but work falls in arrears with some one or the other. When a clerk or two goes on short leave, his work falls in arrears for the time being as it is not found possible to depute other clerks for it, their time being fully employed.

It has also been found impossible to carry on the work of the Office with 4 Peons now available. One Peon is on duty with the Joint Secretary. Two are daily sent out for delivery of proposals and other papers circulated among the several members of the Committee and to the several outside Offices. The remaining one Peon is employed in carrying papers upstairs to the Secretary and President and to other Offices in this building and it often happens that the Office is left without a peon necessitating the clerks to take up Peons work with disturbance to their own.

To keep abreast of the work relief is absolutely necessary and I accordingly propose the following additional temporary establishment:-

1 Temporary Ledgerer for 2 years i.e. to end of June 1917.	on	Rs 25-2-35	= Rs 32-8-0
1 Temporary Relief Clerk for the same period.	on		" 20-0-0
2 Peons do	on Rupees 7/- each.		" 14-0-0
			Total Rs 66-8-0

to take up new entrants for doing the nomination and family pension Postmaster's work

The above temporary establishment is proposed for two years to end of June 1917, for the reason that from July 1917, fresh set of Ledgers will be opened and a readjustment of the ledgers would require to be made.

The financial effect of the above proposals is exhibited on the next page.

Please concept on Circular letter on 30 May 1915

So far as I can see I admit the necessity for one head Clerk & Peon after the Nominations work is over but I do not think we should keep on the Temporary Relief Clerk & one Peon. I propose to keep the Temporary Ledgerer on 30-3-45 & that there will be 3 on 30-3-45 & 3 on 25-2-35 and Relief Clerk henceforth. Thereafter from that the new man will be absorbed with Current Vacancies on 25-2-35. Meanwhile think any other additional Clerk or Peon necessary. Meet office between 30-3-45 & 25-2-35 to be 3½ or 4 per annum. Mr. will file complete submission with a Memorandum along with the other papers & put up

11 MAY 1915

INSURANCE.

In reference to the orders on the previous page, I respectfully invite the kind attention of the Secretary to the requirement of another clerk and two peons.

The one clerk the necessity for whose services has been recognised will take up the new entrants for insurance, the nomination work, the maintenance of all the Family Pension Registers and assisting in the ledgering work of the other 6 Ledgerers whose work has become heavy, from the beginning of 1912-13 at the middle of which an extra hand was sanctioned on account of increase of work in the previous period, 1333 first and 1828 further policies have been issued up-to-date. The former number has brought up the work of the last ledgerer to the full mark and the latter have gone to swell up the work of all the six ledgerers. Moreover, the Ledgerers did not have to attend to so many details in connexion with the Ledgers previous to 1912, as they have to do subsequently, as will appear from an inspection of the volumes of ledgers in use upto end of 1911-12 and from the beginning of 1912-13. In addition to this, the number of bonus payments to which each ledgerer has to attend to has also increased owing to greater number of policies maturing for payment on attainment by insurants of age 55 and surrender of policies which were 29 and 9 at the end of 1911-12 as against 47 and 30 at present.

The purpose for which I wanted another clerk is to assist the office in carrying on the work of absentees and for assisting other than ledgerers whose work has also become heavy. For instance, at present, three of the permanent hands are on leave and their work is suffering. The permanent Typist is on privilege leave and his substitute has also stopped away on account of the death of his grand-father. The Despatcher has gone on short leave.

short leave. One of the Ledgerers has stopped away on account of some infectious disease in his house. The typing work despatching work and nomination work which are all important and could not be conveniently delayed are suffering. If the existing hands are deputed for the above works, their work suffers in turn. Such is the situation and it is very often repeated. I therefore beg to submit that the other hand on Rs.20 asked for may also be kindly sanctioned.

As regards peons, I have pointed out how the existing four peons are employed and how the office is very often left without a peon. In addition to the ordinary work done by peons in other offices, the circulation of proposals among the members of the committee and the work of a Mutahi, such as making covers, packing up parcels, sealing etc., has to be attended to by the peons of the Insurance Office.

Offices with about the same magnitude of work and clerical establishment are provided with nearly 3 times the number of servants employed in the Insurance office. For example:-

Office of the Inspector General Of Police, with one Presiding officer, one Assistant and 12 hands, has 17 servants of whom 11 are peons.

Office of the Inspector General of Education: with one Presiding officer, 2 Assistants and 16 hands, has 14 peons.

Office of the Conservator of Forests: with one Presiding officer one Assistant and 16 hands has 17 servants of whom at least a dozen are peons.

In contrast to the above, the Insurance Office which comprises a Joint Secretary representing the Secretary, an Assistant Secretary and 17 clerks. (14 permanent and 3 temporary) has only 4 peons. I submit that work of the Insurance office necessitates the employment of two more peons for the present, at least temporarily.

If, however, the Secretary considers two peons too many one peon on Rs. 8/- with a bicycle may at least be sanctioned

INSURANCE.

sanctioned for the proposal circulation work which would -- release one of the two peons employed for that work, for office duty.

Bangalore
May 1915.

D. Krishnamachari
Assistant Secretary.

I moved Vlr for 2 peons on Rs 7 and make one of the existing peons a Duffedar on Rs 9/-. The work no doubt is increasing & must continue increasing as business expands but I am not convinced 2 Vlrs are absolutely necessary. It may be that there will be some seasons of slack pressure when the Dy Clerk and Asst Clerk are utilised to relieve the pressure & making the Asst Clerk take all the work & the Dy Clerk to relieve existing men of such work as can be satisfactorily done thus. To add a new Clerk on 30-3-45 will certainly be a sensible relief as the Registering work is not much & he will take the work & maintenance & other miscellaneous work off the hands of the existing men.

Secy

Secy & Asst Secy will please discuss this immediately after the next G.C. conference is over

31/5

Recd

Sanctioned average monthly scale of Permanent Establishment including Contingent grant and Auditors fee.	Average actual monthly expenditure incurred on permanent establishment including Contingent grant and Auditors fee during the last four months from December 1914 to March 1915.	Average monthly premium income during the 1st half of the current official year Rs 28,050/-. 3% thereon available for expenditure on establishment under existing orders Rs 841.50
Rs 815-1-4	Rs 717-8-4	

717-8-4

Cost of the proposed additional Temporary Establishment. " 66-8-0

48-4-0

Rs 784-0-4

766-12-4

From the above it will be seen that the present permanent establishment charges are kept within 3% limit. It must also be pointed out that if the existing Temporary Establishment for the issue of Reversionary Bonus Certificates at a cost of Rupees 100-0-0 a month be taken into consideration the establishment charges would go a little beyond the 3% limit. This is unavoidable. The payment of Medical fee has not been taken into consideration as it does not form part of Establishment charges. In the last Actuarial Report 5% of premium income has been allowed for expenses of management and even if the amount of Medical fee paid should be taken into account, the average expenditure would not exceed 4% of the premium income which I have submitted on previous occasions should be inevitable, and the recent sanction of restoration of the then existing establishment is evidence.

100-0-0

884-0-4

766-12-4

INSURANCE.

Bangalore,

27th April 1915.

Asstt: Secretary.

A.X.

I very much regret my inability to be present at the discussion of this question as I am unable to go up; and I beg that the following may be kindly placed before the Secretary, when considering the question.

I have briefly given statistics of increase of work but by no means can I adequately represent the practical difficulties in the way except by working in the immediate presence of the Secretary. Theoretically one extra hand may be thought sufficient to cope with the increase but when practical difficulties are also taken into Kind Consideration as well as the capability of the worker which is not the same in each him the two hands asked for would appear not too much. - For instance, - posting of the premium collections in the abstracts and from them into the ledgers would appear a simple matter but if one item is strongly wrongly

posted

the totals will not agree & the whole work has to be revised to find out the mistake. Such mistakes are of every day occurrence and the work and the time taken to close one District posting even with help is sufficiently taxing. The Pramanni Collection in the Bangalore Dt is double that in Mysore Dt and in each of the other 6 Districts it is nearly a third of the Mysore District. To agree the postings of Bangalore Pramanni Collection alone two men are not found sufficient. The last Ledgerer so long as he had less work was assisting the Bangalore Dt Branch and an extra Clerk whose services have been recognised to be necessary will take the last ~~vacancy~~ Ledgerer's place and in addition to his own work

INSURANCE.

assist in the Compilation of the
Bauguine District Accounts.
Mysore Dt accounts also badly
need assistance and thus also
might be added to the new
man. This will be sufficient work
for one extra hand and he
will not be available for any thing
else. The increase of work in one
direction has brought about increase
in other directions and help is
necessary there also. Again, as
I have already pointed out, when
clerks absent themselves on short
leave absolutely no provision
exists at present to carry on
their work. One other clerk asked
for is for helping here and I
would respectfully beg that
both the hands may be
kindly recommended to

be

G.R.S. 26]

File No. 61
Serial No. 2

Diary No. of letter replied to 731

General and Revenue Secretariat
(G 7)
, *the* 19 .

Date of issue 17-11-15

Signed by W Shamanna

No. H 2176
dt 17 Nov/15

To

The Levy State Life
Insurance Committee

Sir,

With reference to your
letter No 75-3 dt 26-8-15
forwarding ~~R~~ for
orders a Resolution of the
Committee in the matter
of raising the establ
charges from the
~~present limit of~~ 3 1/2 to 4 1/2
average of the premissible
income

over.

SUBJECT.

income tax 4/per cent. I am
directed to request you
to be so good as to send
a Statement shewing
in detail the charges now incurred
to be taken against
the 3/p.c previous income from premiums
and also a regular
proportion Statement
for the additional
rate proposed

I have the

M
12/11

For H Secy.
15/12/11

List of enclosures,

Copied by

Examined by

GPB—20,000—26-9-10

ENTRY No. 1689
1915-1916
GPB—250—22-11-15
FILE No. 61-15-7
REPLY No. 3

M.S.L.I.
O. 20

No. 3009
Enc. (3) Statements

OFFICE OF THE SECRETARY,
MYSORE STATE LIFE INSURANCE COMMITTEE,

Bangalore, dated ..23rd..Decr:.....1915 .

FROM

Rajamantrapravina Diwan Bahadur
J. S. CHAKRAVARTI, ESQ., M.A., F.R.A.S., etc.,
Secretary, Mysore State Life Insurance Committee,
Bangalore.

To

The Financial Secretary
to the Government of His Highness
the Maharaja of Mysore, B a n g a l o r e.

SIR,

In reply to your No: Fl.2176/G.F.61-15-2 dated 17th November 1915, I have the honour to submit a statement showing in detail the charges now incurred against the 3 per cent premium income and a regular proposition statement for the additional Establishment now proposed, duly verified by the Comptroller, and to state that a reference to these statements will show that the monthly average of expenditure under present conditions already exceeds the 3% limit fixed in Government Order No: 1061-2 R.F.110-93 dated 8th August 1898. This limit would of course be further exceeded when the proposed -- Temporary Establishment which is required for 2 years is sanctioned.

I may also point out that arrangements will have to be made from the beginning of the next official year for the quinquennial valuation ending 1916-17, in connection with which a special Establishment will have to be entertained and that all incidental expenses, e.g. "Fee to Actuary" etc, will also have to be taken into consideration in fixing the percentage limit for expenditure on management.

I would therefore request that you will be so good as to kindly obtain the early sanction of Government to the entertainment of temporary

temporary Establishment costing Rs 77-4-0 per mensem for 2 years, and also to the limit of expenditure on management being raised to 4 per cent, of the average premium income as requested in ~~my~~ this Office letter of 26th August 1915.

I have the honor to be,

Sir,

Your most obedient servant,

V Sreenivasa Iyengar

Joint Secretary.

AK-23-12.

Finance and Accounts Form 11

(*Vide* Art. 57, C. A. C., Vol. I, and Rule 23, Part I, Chapter

Fin. 200]

STATEMENT OF PROPOSITIO

Name of Office to which the

Insurance Committee

Government orders sanctioning present Establishment		Nature of Charge										
		Present Scale						Proposed Scale				
				Pay						Pay		
No.	Date	No.	Designation	Minimum	Rate of Increase	Maximum	Average Cost	No.	Designation	Minimum	Rate of Increase	Maximum
		1	Assistant Secretary	150	20	250	225	✓				
		1	Head Clerk	80	4	100	95	✓				
		1	Deputy Clerk	50	3	65	61/4	✓				
		2	Ledgers	30	3	45	82/8	✓				
		4	do	25	2	35	130	✓				
		1	Record keeper	30	3	45	41/4	✓				
		1	Book do	12	1	15	14/4	✓				
		1	Typist	25			25	✓				
		1	Despatcher	25	1	30	28/12	1	Ledgers	30	3	4
		1	Proposal Clerk	20			20	1	Receiving Clerk	20		
		1	Policy Clerk	25	1	30	28/12	1	Dubbadars	9		
		2	Peons @ 8	16			16	1	Peon	7		
		2	do @ 7	14			14	✓				
							781-12-0	✓				
			Contingent Grant				16.10.8	✓				
			Auditors Fee				16.10.8	✓				
							815-14					

Present scale Verified

2 Subramanya

23.12.15 Asst Comptr

Note.—To be prepared in duplicate and forwarded through the Comptroller in Mysore and s

1st December 1914

Fk. 2337 8
13.39-13-2

II of the Financial Rules circulated with G. O. No. Fl. 1150—1192, dated 7-2-1903)

I FOR REVISION OF ESTABLISHMENT

Proposition relates Office of the Secretary. Legislative State Life

GPB—6,000 - 29-4-12

Average Cost	Proposition						Grounds of Proposition	Comptroller's Report	Orders of Government		
	Permanent		Temporary						Department concerned	Financial Department	
	Increase per month	Decrease per month	Increase per month		Decrease per month				Remarks	Remarks	Orders
	Amount	Amount	Period	Amount	Period	Amount					
									7		

Finance and Accounts Form 11 (Finl. 200)

Vide Art. 57, C. A. C., Vol. I, and Rule 23, Part 1, Chapter

STATEMENT OF PROPOSITIO

Name of Office to which the

Government orders sanctioning present Establishment		Nature of Charge										
		Present Scale						Proposed Scale				
				Pay						Pay		
No.	Date	No.	Designation	Minimum	Rate of Increase	Maximum	Average Cost	No.	Designation	Minimum	Rate of Increase	Maximum
		1	Asstt Secy:	150/-	20/-	250/-	225/-					
		1	Head Clerk	80/-	4/-	100/-	95/-					
		1	Dy Clerk	50/-	3/-	65/-	61/4					
		2	Ledgerers	30/-	3/-	45/-	82/8					
		4	- do -	25/-	2/-	35/-	130/-					
		1	Record Keeper	30/-	3/-	45/-	41/4					
		1	Asstt do	12/-	1/-	15/-	14/4					
		1	Typist	25/-		~~25~~	25/-					
		1	Despatcher	25/-	1	30/-	28/12	1	Ledgerer	30/-	3/-	45/-
		1	Proposal Clerk	20/-			20/-	1	Relieving Clerk	20/-		
		1	Policy Clerk	25/-	1	30/-	28/12	1	Duffedar	9/-		
		2	Peons @ 8/-	16/-			16/-	1	Peon	7/-		
		2	do @ 7/-	14/-			14/-					
							781.12.0					
			Contingent grant				16.10.8					
			Auditor's Fee				16.10.8					
							815.1.4					

Present Scale Verified

Assessed

Asst Comptroller

23/12/15

Note.—To be prepared in duplicate and forwarded through the Comptroller in Mysore and sh

II of the Financial Rules circulated with G. O. No. Fl. 1150—1192, dated 7-2-1903)

N FOR REVISION OF ESTABLISHMENT

Proposition relates Office of the Secretary Mysore State Life Insurance Committee

GPB—6,000 - 20-4-12

Average Cost	Proposition						Grounds of Proposition	Comptroller's Report	Orders of Government		
	Permanent		Temporary						Department concerned	Financial Department	
	Increase per month	Decrease per month	Increase per month		Decrease per month				Remarks	Remarks	Orders
	Amount	Amount	Period	Amount	Period	Amount					
			To be entertained for two years.								
41/4 28/12. ✓				41/4 ✓							
20 ✓				20/- ✓							
9/- ✓				9/- ✓							
7/- ✓				7/- ✓							
77/4 ✓		Rs		77/4 ✓							

Secretary

Joint Secy

ld be followed by a reappropriation statement if the proposal involves additional expenditure.

STATEMENT SHOWING THE CHARGES INCURRED ANNUALLY AGAINST THE 3 PER CENT INCOME FROM PREMIUMS VIDE G. O. NO: 1061-2 R.F.110-93 DATED 8TH AUGUST 1898.

DURING	INCOME		EXPENDITURE				REMARKS.
	Premium Receipts.	3 per cent limit available for expenditure.	NO.	Charges.		Amount	
			1	Establishment Salary as now sanctioned Vide Col: 1 proposition statement.	(A)	9,381- 0-0	(A) Calculated as per Code Rules.
			2	Ordinary Contingencies.		289-10-6	
			3	Other items such as purchases of books, furniture, Auditors fee etc.		598- 0-0	
			4	Fees to Medical Officers Vide G.O.No:Fl;2146-8/ B.38-13-2 dated 18-10-14.		1,635- 0-0	B. Actuals for 12 months.
For twelve months from Decr: 1914 to end of Novr: 1915.	3,55,320/-	10,659.60/-			Rs	11,903-10-6	
Monthly average.	29,610/-	888.30/-		in round figure.	Rs	11,904- 0-0	
				MONTHLY AVERAGE.	Rs	992/-	

Office of the Secretary,
Mysore State Life Insurance Committee,
Bangalore, 15th December 1915.

JOINT SECRETARY.

3 144/4

G.R.S. 28]

File No. 61
Serial No. 4

Diary No. of letter replied to 1689

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT.
(Gpt)

, *the* 191 .

READ— again
G. O dt No M 1061-2
R 7 110-93
dt 8-8-1893
empowering the State Life Insurance Committee to

Date of issue 18-4-16

Signed by W Shamanna

~~ORDER THEREON.—NO.~~ Sanction is accorded
charges upto a 3 p.c limit
of the average monthly
premium income dt as G
avoid frequent references to
Govt.

over.

SUBJECT.

GPB—50,000—4-12-12

GW 2/17/4

2) Correspondence ending with letter Rs 3009 from the Secy State Life Insurance Committee representing with reference to the above order that consequent on the expansion of work in the Insurance office in Secrl Sections & payment of fees & medical exam the normal expenditure has exceeded the 3 p.c limit & that it is therefore necessary to raise the limit of expenditure which could be sanctioned by the Committee to 4 p.c of the premium income & further that may also be awarded suggesting sanction to the temporary entertainment of certain addl establ for a period of 2 years to cope with the increased work in the office.

G. R. S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

No 25508-9
G 18 April 16
order thereon

In the circumstances stated forth are pleased to empower the Insurance Committee in modification of their order G 8-8-1849 to sanction establish charges up to a limit of 4 p.c of the average monthly premia income

The marginally noted temporary establishment also sanctioned to be maintained for 2 years at an average cost of Rs 77/4 the charge being met out of the Insurance Fund

1 Ledger 30-3-45 — 41/4
1 Relieving clerk 20 — 20
1 Daffedar 9 — 9
1 Peon 7 — 7
77

29/3
H Secy

To the Secy Insurance Committee
" Comptroller

GPB—20,000—7-7-14